



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by WMM Date 1/8/08
General Manager

DATE: January 7, 2008
TO: General Manager
FROM: Assistant General Manager
SUBJECT: Update on Acceptance of Regional Waste and Bio-solids for Disposal and Processing

RECOMMENDATION: No action is required. This is a report to the Board on the status of the acceptance of green waste processing from several jurisdictions in discussion with the District, the status of bio-solids acceptance and utilization from the Monterey Regional Water Pollution Control Agency (MRWPCA), the contract for waste acceptance from the City of Watsonville, and an update on the planned revisions to the flow control provisions of the Monterey Regional Waste Management Authority (MRWMA) Joint Powers Authority (JPA) Agreement.

BACKGROUND

District staff, as directed by the Board and pursuant to the short fall of revenue from incoming tonnages, has undertaken discussions with neighboring jurisdictions regarding the utilization of the Monterey Peninsula Landfill (MPL) for disposal and the site for other waste processing options such as organic waste and bio-solids. These jurisdictions are the County of Santa Cruz, the Salinas Valley Solid Waste Authority (SVSWA), and the City of Watsonville. Over the past couple of months District staff has also initiated discussions with the Carmel Area Wastewater District (CAWD) regarding handling of bio-solids, and the City of Santa Cruz and the City of Capitola regarding green waste and food waste.

District counsel is in the final stages of reviewing the Disposal Agreement with the City of Watsonville. Staff has had additional discussions with the County of Santa Cruz and the SVSWA regarding the potential for waste processing and recycling joint ventures. The District has both the permits and the environmental review process in place to allow for a much shortened time frame for these jurisdictions to expand their recycling and composting activities in conjunction with District plans, permits and operations. A meeting with all of these jurisdictions is scheduled for January 18, 2008 here at the District.

CITY OF WATSONVILLE

Agreement

The Board approved the Agreement, subject to final wording revisions, at the November 16, 2007 meeting. Deliveries of waste are expected to begin immediately upon execution of the Agreement.

Green Waste Processing

The City of Watsonville currently does not provide curbside collection of green waste, and their staff has indicated that green waste is a very small percentage of their waste stream. Therefore, joining a regional green waste composting operation is not a priority for them. However, a regional bio-solids composting operation is an issue of interest. They are also interested in joining a regional construction demolition (C&D) processing operation.

COUNTY OF SANTA CRUZ

Santa Cruz County staff has requested District staff to evaluate the potential for the acceptance of some regional waste for recycling and composting activities here at the District for both the short-term and the long-term. Of special interest to Santa Cruz County is the area of organic waste material for composting. The County of Santa Cruz will assist in taking the lead on the development of a Request for Proposals for Composting and Marketing Services.

CITY OF CAPITOLA

As of the writing of this staff report, the City of Capitola has given a verbal indication that they would be interested in the regional effort for the processing of green waste and food waste here at the District.

CITY OF SANTA CRUZ

The City of Santa Cruz is very interested in joining a regional organics composting operation here at the District, to include bio-solids, green waste and food waste.

SALINAS VALLEY SOLID WASTE AUTHORITY

District and SVSWA staffs have begun preliminary discussions regarding the potential for processing recyclable material, primarily green waste, from the SVSWA service area. The same joint approach concept that makes sense for the County of Santa Cruz from an environmental and financial standpoint would seem on the surface to make sense for the SVSWA. District staff and SVSWA staffs have also held preliminary discussions on working cooperatively in processing the C&D portion of the waste stream. The SVSWA is debating the future of the Sun Street Transfer Station, located in Salinas, and may decide to relocate it somewhere else, which will delay by several years their ability to process material (see attached article from the January 3-9, 2008 edition of Monterey County Weekly).

Bio-Solids Processing

On the matter of bio-solids processing, a meeting took place between the General Managers of the MRWPCA, the CAWD and the District on December 20th to discuss bio-solids management. Also participating was a representative of California Association of Sanitation Agencies (CASA) and Carollo Engineers. Items that were discussed included the following:

- Notification by the District to the MRWPCA that the ability of the site to stockpile and or utilize bio-solids on site in the present manner is at its capacity and the District would need to cease handling this material in the present fashion in the next 12-24 months.
- The rate (currently averaging \$23/ton) for accepting and stabilizing this sludge would need a substantial increase (projected at \$35/ton) starting in FY 2008/2009.
- Deciding on an approach to “make the highest and best use” of the bio-solids material either through composting or conversion to energy.
- Receive a work scope from the Carollo Engineers and to share in the cost of developing a study for “highest and best use” alternatives of bio-solids. (Note: funds originally requested last fiscal year to conduct a joint study between the District and MRWPCA for gas project alternatives were never expended, and could be made available for this study). A proposal is anticipated from Carollo Engineers, for Board consideration at the February meeting.
- Additional information regarding the status of the MRWPCA’s bio-gas system and the potential for joint use of bio-gas and landfill gas as a potential energy source for a de-salinization plant located in the vicinity of the MRWPCA treatment plant.
- Convene a meeting of the Interagency Committee (between MRWPCA and the District), which includes Board members, following the meeting of the General Managers.

Flow Control Revision

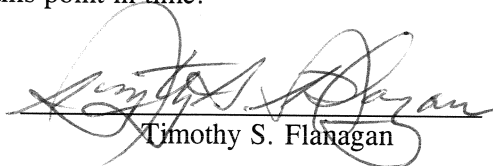
District staff and outside counsel are reviewing elements of the original JPA agreement requiring waste to flow to the District. Staff expects that elements of the revisions to the JPA agreement or some other vehicle to clarify the waste flow control within the District’s jurisdiction would be available for Board discussion and review by the February or March meeting.

STRATEGIC PLANNING IMPACT

- A1b: Evaluate fiscal impacts of programs.
- A3a: Evaluate effectiveness and efficiency of existing District operations.
- B: **Evaluate and Develop Strategic Partnerships.**
- B2b: Evaluate the creation of a partnership for long term bio-solids (organics) and bio-gas management.

CONCLUSION

No specific action is required of the Board at this point in time.



Timothy S. Flanagan



Crazyhorse Canyon Landfill outside of Salinas will close this year.

MONTEREY COAST WEEKLY

POSTED JANUARY 03, 2008

A Real Stinker

Salinas politicians struggle with where to put the city's trash.

By Zachary Stahl

Salinas politicians want to trade in smelly trash for redevelopment cash. Mayor Dennis Donohue, Councilwoman Gloria De La Rosa and County Supervisor Fernando Armenta recently called for the relocation of the Sun Street Transfer Station from Salinas' center to make room for a mixed-use development. The only problem is that the Salinas Valley Solid Waste Authority board members don't know where else to put the garbage and recycling facility.

The transfer station may have a short future because Walnut Creek developer Sean Cooley wants to turn the site and surrounding industrial blocks along East Alisal Street into sustainable townhomes and mom-and-pop shops. Donohue and De La Rosa support the Alisal Marketplace project and want the waste facility to move aside. "I firmly believe this location has no long-term future," Donohue said at the Dec. 20 solid waste authority meeting. "My hope is we get the hell out of there as fast as we can."

Salinas Councilwoman and authority board member Janet Barnes, however, didn't share her colleagues' development zeal. At the meeting, Barnes sided with authority staff who recommended the board authorize environmental work for expanding the transfer station to handle 400 tons per day. The transfer station now processes about 180 tons of trash daily, but the facility is over capacity because the city permit only allows 100 tons.

Even if Cooley had another planned site to move the transfer station, General Manager Stephen Johnson said it would take at least three years for the facility to become operational. Barnes said the Sun Street facility should be expanded while a long-term location is sought. "The trash has to go somewhere," she said. "We can't move it that fast."

The board also discussed using a transfer station on Madison Lane in Salinas' Boronda area, or sending the garbage to the Monterey Regional Waste Management District Landfill in Marina. But any alternative site will likely encounter similar NIMBYism.

Finding a place to load up Salinas' trash is just one impending challenge the authority faces as Crazy Horse Canyon Landfill closes by late 2008. The landfill, which started as a dump in 1934, receives 900 tons of refuse per day. But Crazy Horse is nearly full. "The whole area used to be canyon," Johnson says. "Now it's a mountain."

Crazy Horse's closure is expected to increase trash loads at Sun Street since Salinas and north Monterey County residents will have to go elsewhere to haul their waste. Once Crazy Horse shuts, Sun Street garbage will be transferred to larger trucks and sent to Johnson Canyon Landfill just outside of Gonzales. When this happens, Johnson Canyon will be the Salinas Valley's only functioning landfill. Since Salinas trash will travel farther, garbage rates are expected to rise.

The waste authority also will pay a price. The authority will pay Gonzales host fees, starting at \$150,000 a year while Crazy Horse is open, going up to \$250,000 a year, when the Salinas landfill closes. The board approved the so-called memorandum of understanding at its Dec. 20 meeting. In exchange for the money, the city of Gonzales agreed not to sue the authority or oppose further expansion of Johnson Canyon. The authority also agreed to pay an estimated \$2.3 million to improve roads to the landfill and pick up litter, among other things.

Still, the plan is not without its critics. Gonzales City Councilman Matt Gourley, who voted against the MOU, opposes any expansion of Johnson Canyon. "I think there has to be another place," Gourley says. "We are not at the center of the waste stream." Gourley adds that because of agricultural easements Gonzales can only grow in the area toward the landfill site.

Adding more trash to Johnson Canyon also has unnerved growers, most recently because of concerns that the landfill could contribute to E. coli contamination in adjacent crops. A study refuted this claim. In May, the Monterey County Planning Commission approved a 16-acre expansion of Johnson Canyon.

Previously, the solid waste authority had considered building a new landfill near San Lucas, but property owners protested. The board wants to move from burying trash, and instead ramp up recycling and convert waste into energy. By 2015, the authority wants to divert 75 percent of its trash from the landfill.

Johnson estimates about 50 percent of Salinas Valley waste is recycled. "Our single biggest job is not managing trash," Johnson says, "it's public education. If we are really good at what we do, people make less trash."

But Salinas-area residents still need a long-term place to haul their trash and drop off hazardous waste materials and recyclables. The authority had planned to increase the trash intake at Sun Street Transfer Station to 1,500 tons a day. But the Salinas United Business Association complained the expansion would result in too much traffic and decrease the adjacent business district's property values. So the authority explored a scaled-back expansion of Sun Street. But with Alisal Marketplace on deck, now even that option doesn't seem politically viable.

It would cost nearly \$3.8 million to build a scaled-back transfer station that may only be operational for a couple of years. Weary of throwing money at a temporary location, the authority board postponed a vote on the Sun Street expansion at its December meeting. Between now and the February meeting Salinas officials hope to devise a plan that meets increased garbage demand without stinking up the city's redevelopment hopes